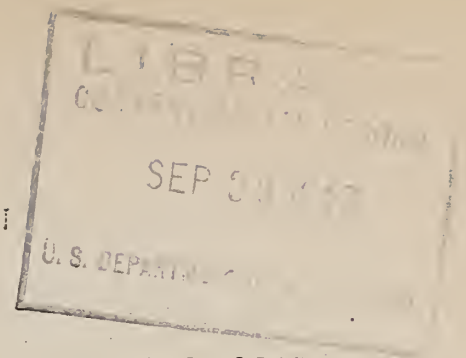


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August 6, 1943

FINANCE AND ACCOUNTS DIVISION MEMORANDUM NO. B-30

To: Washington Finance and Accounts Division
Chiefs, Regional Fiscal Divisions

From: H. O. Hart, Chief, Accounting Management Section,
Finance and Accounts Division

Subject: Establishment of Formal Accounts in the Regional Fiscal
Divisions Relating to Disbursing Officer's Cash under
Commodity Programs

In order to apply the accounting principles prescribed in the accounting manual to the recording of cash transactions pertaining to commodity programs, effective immediately and retroactive to July 1, 1943, disbursing officer's cash accounts on commodity program funds, which have heretofore been maintained formally by the Northeast Region for all Regions and informally on memorandum records by the several Regional Fiscal Divisions making payments in connection therewith, will be established and maintained as general ledger accounts by the respective Regional Fiscal Divisions of the Regions in which the regional disbursing office is located. The adjustments necessary to effectuate this purpose will relate chiefly to the disbursing officer's cash accounts and to the Inter-Office Cash Control Accounts of the funds previously maintained on memorandum records pursuant to instructions in Finance and Accounts Division Memorandum No. B-12, dated April 12, 1943.

Each Regional Fiscal Division handling cash relating to commodity programs should ascertain from the regional disbursing officer the cash balances in the respective funds as at June 30, 1943; should reconcile such balances with the memorandum fund control records maintained by the Division; and should set up the correct balances as at that date by recording the following entry in each fund affected:

Dr. 03.31 Disbursing Officer's Cash - Disbursing Funds

Cr. 47. Inter-Office Cash Control

In connection with the above entry, Form FDA-507 should be prepared in triplicate for use as an accounting advice and should be addressed to the Northeast Regional Fiscal Division with full explanation of the

entry made and purpose therefore. A copy of the Form FDA-507 should be mailed to the Washington Reports and Controls Section. On the basis of this advice the Northeast Regional Fiscal Division will record the following entry in the proper funds:

Dr. 47.1 Inter-Office Cash Control

Cr. 03.31 Disbursing Officer's Cash - Disbursing Funds

The Washington Reports and Controls Section will record the following entry:

Dr. 47. Inter-Office Cash Control - (Name of Region which established the record of the disbursing officer's cash)

Cr. 47.1 Inter-Office Cash Control - Northeast Region

The Regional Fiscal Division will then prepare Form FDA-507 in triplicate for each fund addressed to the Northeast Regional Fiscal Division as an advice of payments for others, listing all schedules of disbursements covering vouchers which at June 30, 1943, had been certified for payment and transmitted to the disbursing officer but which had not been paid at that date. The Form FDA-507 should indicate that it is to adjust the disbursing officer's cash account at June 30, 1943, to an audited voucher basis. A copy of this form should be furnished the Washington Reports and Controls Section. The Regional Fiscal Division preparing this transmittal form will record the following entry:

Dr. 47. Inter-Office Cash Control

Cr. 03.51 Disbursing Officer's Cash - Disbursing Funds

The Northeast Regional Fiscal Division will record the following entry:

Dr. 03.31 Disbursing Officer's Cash - Disbursing Funds

Cr. 47.1 Inter-Office Cash Control

The Washington Reports and Controls Section will record the following entry:

Dr. 47.1 Inter-Office Cash Control - Northeast Region

Cr. 47. Inter-Office Cash Control (Region making payment)

The Regional Fiscal Division will next prepare Form FDA-507 in triplicate for each fund as an advice of payments for others and addressed to the Northeast Regional Fiscal Division and will list thereon the

schedules of vouchers certified for payment from July 1, 1943 to the date of this adjustment and currently thereafter. It will forward a copy of Form FDA-507 to the Washington Reports and Controls Section. The Regional Fiscal Division which makes the payments will record the following entry:

Dr. 47. Inter-Office Cash Control

Cr. 03.31 Disbursing Officer's Cash - Disbursing Funds

The Northeast Regional Fiscal Division will record the following entry:

Dr. 03.31 Disbursing Officer's Cash - Disbursing Funds (for such portion of the advice as may have been previously credited to disbursing officer's cash account)

Dr. 60. Accounts Payable (for such portion of the advice as may not have been taken up on the accounts)

Cr. 47.1 Inter-Office Cash Control

The Washington Reports and Controls Section will record the following entry:

Dr. 47.1 Inter-Office Cash Control - Northeast Region

Cr. 47. Inter-Office Cash Control (Region making payment)

The Washington Reports and Controls Section will prepare a transmittal of accounting advice addressed to the Northeast Regional Fiscal Division withdrawing the record of cash transfers from July 1, 1943, to the date of this adjustment applicable to cash transferred to the disbursing officers of Regions other than the Northeast for commodity program obligations. On the basis of this advice the Northeast Regional Fiscal Division will record the following entry:

Dr. 47.1 Inter-Office Cash Control

Cr. 03.31 Disbursing Officer's Cash - Disbursing Funds

The Washington Reports and Controls Section will also prepare transmittals of accounting advice addressed to the several Regional Fiscal Divisions indicating the amount of cash transferred to the respective regional disbursing officers from July 1, 1943, to the date of this adjustment. On the basis of these advices the Regional Fiscal Divisions establishing the cash accounts will record the following entry:

Dr. 03.31 Disbursing Officer's Cash - Disbursing Funds

Cr. 47. Inter-Office Cash Control

The Washington Reports and Controls Section will make the following Entry:

Dr. 47. Inter-Office Cash Control (Region recording the cash transfer)

Cr. 47.1 Inter-Office Cash Control - Northeast Region

The Funds Control (Exhibit A) prescribed in Finance and Accounts Division Memorandum No. B-12 will be unnecessary and will be discontinued. The Report of Reconciliation of Certifications with Disbursements (Exhibit B) provided in the memorandum should be continued. The Northeast Regional Fiscal Division will maintain disbursing officer's cash accounts only with the disbursing officer for the Northeast Region.

The procedure recently issued with respect to Section 32 funds for commodity program expenditures relative to the establishment of formal disbursing officer's cash accounts in the general ledgers by the respective Regional Fiscal Divisions is modified to make the effective date of the establishment of such cash accounts retroactive to July 1, 1943, in conformity with this memorandum.

H. O. Pratt